H-1034.2	

HOUSE BILL 1713

State of Washington 57th Legislature 2001 Regular Session

By Representatives Mielke, Dunn, Boldt, Hatfield, Campbell, Santos, G. Chandler, Veloria and Schindler

Read first time 02/01/2001. Referred to Committee on Transportation.

- 1 AN ACT Relating to release of an impounded commercial vehicle that
- 2 was driven by a person with a suspended license without the owner's
- 3 knowledge; and amending RCW 46.55.120.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 **Sec. 1.** RCW 46.55.120 and 2000 c 193 s 1 are each amended to read 6 as follows:
- 7 (1) Vehicles or other items of personal property registered or 8 titled with the department that are impounded by registered tow truck 9 operators pursuant to RCW 46.55.080, 46.55.085, 46.55.113, or 9A.88.140
- 10 may be redeemed only under the following circumstances:
- 11 (a) Only the legal owner, the registered owner, a person authorized
- 12 in writing by the registered owner or the vehicle's insurer, a person
- 13 who is determined and verified by the operator to have the permission
- 14 of the registered owner of the vehicle or other item of personal
- 15 property registered or titled with the department, or one who has
- 16 purchased a vehicle or item of personal property registered or titled
- 17 with the department from the registered owner who produces proof of
- 18 ownership or written authorization and signs a receipt therefor, may
- 19 redeem an impounded vehicle or items of personal property registered or

p. 1 HB 1713

titled with the department. In addition, a vehicle impounded because 1 the operator is in violation of RCW 46.20.342(1)(c) shall not be 2 3 released until a person eligible to redeem it under this subsection 4 (1)(a) satisfies the requirements of $((\frac{e}{e}))$ of this subsection, including paying all towing, removal, and storage fees, notwithstanding 5 the fact that the hold was ordered by a government agency. 6 7 department's records show that the operator has been convicted of a 8 violation of RCW 46.20.342 or a similar local ordinance within the past 9 five years, the vehicle may be held for up to thirty days at the 10 written direction of the agency ordering the vehicle impounded. vehicle impounded because the operator is arrested for a violation of 11 RCW 46.20.342 may be released only pursuant to a written order from the 12 agency that ordered the vehicle impounded or from the court having 13 14 jurisdiction. An agency may issue a written order to release pursuant 15 to a provision of an applicable state agency rule or local ordinance 16 authorizing release on the basis of economic or personal hardship to 17 the spouse of the operator, taking into consideration public safety factors, including the operator's criminal history and driving record. 18 19 If a vehicle is impounded because the operator is in violation of 20 RCW 46.20.342(1) (a) or (b), the vehicle may be held for up to thirty days at the written direction of the agency ordering the vehicle 21 impounded. However, if the department's records show that the operator 22 has been convicted of a violation of RCW 46.20.342(1) (a) or (b) or a 23 24 similar local ordinance within the past five years, the vehicle may be 25 held at the written direction of the agency ordering the vehicle 26 impounded for up to sixty days, and for up to ninety days if the operator has two or more such prior offenses. If a vehicle is 27 impounded because the operator is arrested for a violation of RCW 28 29 46.20.342, the vehicle may not be released until a person eligible to 30 redeem it under this subsection (1)(a) satisfies the requirements of 31 $((\frac{(e)}{(e)}))$ of this subsection, including paying all towing, removal, and storage fees, notwithstanding the fact that the hold was ordered by 32

(b) If the vehicle is directed to be held for a suspended license impound, a person who desires to redeem the vehicle at the end of the period of impound shall within five days of the impound at the request of the tow truck operator pay a security deposit to the tow truck operator of not more than one-half of the applicable impound storage rate for each day of the proposed suspended license impound. The tow

HB 1713 p. 2

a government agency.

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truck operator shall credit this amount against the final bill for 1 2 removal, towing, and storage upon redemption. The tow truck operator may accept other sufficient security in lieu of the security deposit. 3 4 If the person desiring to redeem the vehicle does not pay the security 5 deposit or provide other security acceptable to the tow truck operator, the tow truck operator may process and sell at auction the vehicle as 6 7 an abandoned vehicle within the normal time limits set out in RCW 8 46.55.130(1). The security deposit required by this section may be 9 paid and must be accepted at any time up to twenty-four hours before 10 the beginning of the auction to sell the vehicle as abandoned. registered owner is not eligible to purchase the vehicle at the 11 auction, and the tow truck operator shall sell the vehicle to the 12 highest bidder who is not the registered owner. 13

(c) Notwithstanding (b) of this subsection, a rental car business may immediately redeem a rental vehicle it owns by payment of the costs 16 of removal, towing, and storage, whereupon the vehicle will not be held 17 for a suspended license impound.

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- (d) Notwithstanding (b) of this subsection, if the owner of a 18 19 commercial vehicle who was not the driver of the commercial vehicle at the time of the commercial vehicle's impoundment signs a sworn 20 affidavit or declaration attesting to the owner's lack of knowledge of 21 the driver's suspended license and additionally attesting to the 22 existence of business policies in place at the time of the impoundment 23 24 requiring the driver of a commercial vehicle whose license is suspended to notify the owner of the vehicle of the suspension, the owner may 25 26 immediately redeem a commercial vehicle he or she owns by payment of the costs of removal, towing, and storage, whereupon the vehicle will 27 28 not be held for a suspended license impound. In the case of a corporate owner, the duly authorized agent of the corporation may 29 30 attest on behalf of the corporation.
 - (e) Notwithstanding (b) of this subsection, a motor vehicle dealer or lender with a perfected security interest in the vehicle may redeem or lawfully repossess a vehicle immediately by payment of the costs of removal, towing, and storage, whereupon the vehicle will not be held for a suspended license impound. A motor vehicle dealer or lender with a perfected security interest in the vehicle may not knowingly and intentionally engage in collusion with a registered owner to repossess and then return or resell a vehicle to the registered owner in an attempt to avoid a suspended license impound. However, this provision

p. 3 HB 1713

does not preclude a vehicle dealer or a lender with a perfected 1 2 security interest in the vehicle from repossessing the vehicle and then 3 selling, leasing, or otherwise disposing of it in accordance with 4 chapter 62A.9A RCW, including providing redemption rights to the debtor under RCW ((62A.9-506)) 62A.9A-623. If the debtor is the registered 5 owner of the vehicle, the debtor's right to redeem the vehicle under 6 7 chapter 62A.9A RCW is conditioned upon the debtor obtaining and 8 providing proof from the impounding authority or court having 9 jurisdiction that any fines, penalties, and forfeitures owed by the 10 registered owner, as a result of the suspended license impound, have been paid, and proof of the payment must be tendered to the vehicle 11 dealer or lender at the time the debtor tenders all other obligations 12 required to redeem the vehicle. Vehicle dealers or lenders are not 13 14 liable for damages if they rely in good faith on an order from the 15 impounding agency or a court in releasing a vehicle held under a 16 suspended license impound.

 $((\frac{(e)}{(e)}))$ <u>(f)</u> The vehicle or other item of personal property registered or titled with the department shall be released upon the presentation to any person having custody of the vehicle of commercially reasonable tender sufficient to cover the costs of towing, storage, or other services rendered during the course of towing, removing, impounding, or storing any such vehicle, with credit being given for the amount of any security deposit paid under (b) of this In addition, if a vehicle is impounded because the subsection. operator was arrested for a violation of RCW 46.20.342 or 46.20.345 and was being operated by the registered owner when it was impounded under local ordinance or agency rule, it must not be released to any person until the registered owner establishes with the agency that ordered the vehicle impounded or the court having jurisdiction that any penalties, fines, or forfeitures owed by him or her have been satisfied. Registered tow truck operators are not liable for damages if they rely in good faith on an order from the impounding agency or a court in releasing a vehicle held under a suspended license Commercially reasonable tender shall include, without limitation, cash, major bank credit cards issued by financial institutions, or personal checks drawn on Washington state branches of financial institutions if accompanied by two pieces of valid identification, one of which may be required by the operator to have a photograph. If the towing firm cannot determine through the customer's bank or a check verification

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service that the presented check would be paid by the bank or 1 guaranteed by the service, the towing firm may refuse to accept the 2 3 Any person who stops payment on a personal check or credit 4 card, or does not make restitution within ten days from the date a check becomes insufficient due to lack of funds, to a towing firm that 5 has provided a service pursuant to this section or in any other manner 6 7 defrauds the towing firm in connection with services rendered pursuant 8 to this section shall be liable for damages in the amount of twice the 9 towing and storage fees, plus costs and reasonable attorney's fees.

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- (2)(a) The registered tow truck operator shall give to each person who seeks to redeem an impounded vehicle, or item of personal property registered or titled with the department, written notice of the right of redemption and opportunity for a hearing, which notice shall be accompanied by a form to be used for requesting a hearing, the name of the person or agency authorizing the impound, and a copy of the towing and storage invoice. The registered tow truck operator shall maintain a record evidenced by the redeeming person's signature that such notification was provided.
- 19 (b) Any person seeking to redeem an impounded vehicle under this 20 section has a right to a hearing in the district or municipal court for the jurisdiction in which the vehicle was impounded to contest the 21 22 validity of the impoundment or the amount of towing and storage charges. The district court has jurisdiction to determine the issues 23 24 involving all impoundments including those authorized by the state or 25 its agents. The municipal court has jurisdiction to determine the 26 issues involving impoundments authorized by agents of the municipality. 27 Any request for a hearing shall be made in writing on the form provided for that purpose and must be received by the appropriate court within 28 29 ten days of the date the opportunity was provided for in subsection 30 (2)(a) of this section and more than five days before the date of the 31 At the time of the filing of the hearing request, the petitioner shall pay to the court clerk a filing fee in the same amount 32 required for the filing of a suit in district court. If the hearing 33 34 request is not received by the court within the ten-day period, the 35 right to a hearing is waived and the registered owner is liable for any towing, storage, or other impoundment charges permitted under this 36 37 chapter. Upon receipt of a timely hearing request, the court shall proceed to hear and determine the validity of the impoundment. 38

p. 5 HB 1713

(3)(a) The court, within five days after the request for a hearing, shall notify the registered tow truck operator, the person requesting the hearing if not the owner, the registered and legal owners of the vehicle or other item of personal property registered or titled with the department, and the person or agency authorizing the impound in writing of the hearing date and time.

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- (b) At the hearing, the person or persons requesting the hearing may produce any relevant evidence to show that the impoundment, towing, or storage fees charged were not proper. The court may consider a written report made under oath by the officer who authorized the impoundment in lieu of the officer's personal appearance at the hearing.
- 13 (c) At the conclusion of the hearing, the court shall determine 14 whether the impoundment was proper, whether the towing or storage fees 15 charged were in compliance with the posted rates, and who is 16 responsible for payment of the fees. The court may not adjust fees or 17 charges that are in compliance with the posted or contracted rates.
 - (d) If the impoundment is found proper, the impoundment, towing, and storage fees as permitted under this chapter together with court costs shall be assessed against the person or persons requesting the hearing, unless the operator did not have a signed and valid impoundment authorization from a private property owner or an authorized agent.
 - (e) If the impoundment is determined to be in violation of this chapter, then the registered and legal owners of the vehicle or other item of personal property registered or titled with the department shall bear no impoundment, towing, or storage fees, and any security shall be returned or discharged as appropriate, and the person or agency who authorized the impoundment shall be liable for any towing, storage, or other impoundment fees permitted under this chapter. court shall enter judgment in favor of the registered tow truck operator against the person or agency authorizing the impound for the impoundment, towing, and storage fees paid. In addition, the court shall enter judgment in favor of the registered and legal owners of the vehicle, or other item of personal property registered or titled with the department, for the amount of the filing fee required by law for the impound hearing petition as well as reasonable damages for loss of the use of the vehicle during the time the same was impounded, for not less than fifty dollars per day, against the person or agency

HB 1713 p. 6

authorizing the impound. However, if an impoundment arising from an 1 alleged violation of RCW 46.20.342 or 46.20.345 is determined to be in 2 violation of this chapter, then the law enforcement officer directing 3 4 the impoundment and the government employing the officer are not liable for damages if the officer relied in good faith and without gross 5 negligence on the records of the department in ascertaining that the 6 7 operator of the vehicle had a suspended or revoked driver's license. 8 If any judgment entered is not paid within fifteen days of notice in 9 writing of its entry, the court shall award reasonable attorneys' fees and costs against the defendant in any action to enforce the judgment. 10 Notice of entry of judgment may be made by registered or certified 11 mail, and proof of mailing may be made by affidavit of the party 12 mailing the notice. Notice of the entry of the judgment shall read 13 14 essentially as follows:

15 TO: 16 YOU ARE HEREBY NOTIFIED JUDGMENT was entered against you in the 17 Court located at in the sum of \$...., in an action entitled, Case No. 18 . . . YOU ARE FURTHER NOTIFIED that attorneys fees and costs 19 20 will be awarded against you under RCW . . . if the judgment is 21 not paid within 15 days of the date of this notice. 22 DATED this . . . day of (year) . . . 23 Signature 24 Typed name and address of party mailing notice 25

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(4) Any impounded abandoned vehicle or item of personal property registered or titled with the department that is not redeemed within fifteen days of mailing of the notice of custody and sale as required by RCW 46.55.110(3) shall be sold at public auction in accordance with all the provisions and subject to all the conditions of RCW 46.55.130. A vehicle or item of personal property registered or titled with the department may be redeemed at any time before the start of the auction upon payment of the applicable towing and storage fees.

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p. 7 HB 1713